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出版者	Institute of Comparative Economic Studies, Hosei University
journal or publication title	Journal of International Economic Studies
volume	13
page range	71-82
year	1999-03
URL	http://hdl.handle.net/10114/353

An Alternative to the Global Free Market

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I. The Fall from Heaven to Hell of the Japanese and East Asian Models

In the fickleness of the top modes even the fashion industry is easily defeated by the circle of economists, especially that of Japan. The theory of the "Japanese model" as the most advanced one had been widely prevalent until just recently, that is, until its bubble economy burst in 1991. "The Eastern Asian development model" which had made "The East Asian Miracle" was assumed to be a textbook for all developing countries until Asian monetary crisis broke out recently. The slogan of "Global Japanization" and "East Asia is the growth center in the world" had been widely circulated. Even the necessity of a paradigm change in economics and even the whole social science of the European and American origin was advocated. The east wind had overwhelmed the west wind.

However, no sooner had their bubble economies broken down than what had once been evaluated so highly came to be viewed as the root of all wrong. As for the Japanese economy, its institutions had once been identified with economic efficiency as a successful compromise between the market forces and organization such as the main bank system, "cross-shareholdings", a long-term employment practice, the sub-contract dealings, the industrial policy (including those of finance), etc. Now, however those same features are said to be dragging Japanese economy into a long-term recession. The voices become louder and louder demanding that Japan immediately restructure itself to adapt a model along the lines of the American system which is characterized by a complex of horizontal markets and is assumed to be the de facto global standard for recovery from the recession.

"The Economic White Paper" also reflects this view. In 1993 versions, pundits were still trying to extol the virtues of the Japanese economic system at length. However, the tone of argument has gradually changed over time. Eventually in the 1996 versions with such sub-titles as "Cutting Our Way by the Reformation" they began to insist that "the reduced growth in the first half of 90's has been caused by the fact that current economic structure and the system has not been able to correspond flexibly to various shocks from inside and outside". They insisted that it was necessary to push boldly forward deregulation in each area of Japanese economy such as those of finance, employment, and enterprise, to make self responsibility the overriding principle of economic agents, and to create an incentive mechanism and

transparent rules under which the market economy should function.¹⁾

After the sudden occurrence of the Asian monetary crisis in the summer of 1997, especially after the Japanese financial uncertainty appeared in the autumn following the stock price crash in Japan, failures one after the other of The Hokkaido Takushoku Bank and Yamaichi Securities, and finally the feared spiral of deflation became the reality, confidence in the Japanese economic system reached the bottom. That is to say, it is not considered possible to recover from the Heisei era recession so long as they obstinately persist in maintaining the present Japanese System. Moreover, there is wide-spread belief in the argument that the Japanese economic system is a source of various dangers including the possibility of a world depression stemming from Japan. The tone of argument for reform thus is acute, and one of the leading advocates cries that "Chaos" must be created to break off the inertia of the Japanese economic system and "A New Departure of the Japanese Economy through a Chaos".²⁾

The larger, less specific "The East-Asian development model" has followed the same fate as that of Japan. Government intervention as a method of creating "market friendly" policy-measures which were claimed to be the secret of the Asian miracle has come to be judged as nothing other than one of the features of "crony-capitalism", as it is referred to metaphorically throughout Japan and east Asian countries. This has become blamed as a hotbed of imbalance, unfairness, unsound development and corruption. Therefore, it is said that Asian economies must be opened to the global horizontal market, drawing them under the stone hand mill of IMF structural adjustment everywhere and uniformly.

What is the American Global Standard?

What is the system against which the East Asian nations or the entire region might attempt various resistance, and yet Japan, however, might willingly surrender to unconditionally? Is it a reformation worth pouring all of our energy to create the history of the 21st century? It is necessary to think carefully to escape from fashionable ideas which are generated by each superficial and occasional period of prosperity and crisis.

First of all, people who try to promote "thorough deregulation" shout it as an incantation. This is because they have the belief that what is the most preferable is free competition in the market without any restriction. It is the belief in "the invisible hand".

However, it is only a belief or an ideology. Certainly, neo-classical economics have offered proof that the best allocation of resources is possible only in a free market. However, the arguments are based on the assumption that "the benefit for human beings" can be reduced to the economic efficiency and the problem of distribution of income is put outside of consideration from the beginning. Moreover, it is only in the world of the textbook where no uncertainty, universality of commercialization, perfect competition and decreasing returns are premised on the assumption. Those assumptions cannot exist in the real society.

For instance, one of the famous conservative socio-economists in Japan says as follows.

The economics proves perfectly that when the uncertainty rules, the market cannot be efficient.... You cannot say that governments are more competent than

private organizations in dealing with failures of market mechanism. However, firstly governments stand on the standpoint where they can command all areas in the society. Secondly they are able to compel restrictions to the societies by public powers.

And, the following points are important. Economic dealings are accompanied with so-called praxis (habitual practice) in such societies where progress is gradual and the customs and traditions of the people are steady.

Common thought in the present era, however, has been counter to this praxis, making innovation as the slogan of the times.

In addition to that, to make political movements for promoting deregulation may be no more than a reckless attempt to challenge restrictions. The praxis is given a kick by innovation, and the laws are thrown away by deregulation. Subsequently, the market loses the connection with the society and it is more mysterious if the market society does not begin drifting.”

To begin with, together with conservatives we also will assert that the thoroughness in deregulation and pursuing “small government” will sever the links which subject the movement of the market society in to control in order to secure the existence of the society.

Of course, the causes of the expansion of Japanese economy as a bubble, accumulation of a large amount of bad debt and the long-term recession afterwards, as well as in east Asia, the appearance of the East Asian miracle, the expansion of its economy as a bubble and the East Asian monetary, then, economic crisis, on the one hand, lie in the defects of the economic systems of Japan and the East Asian countries and regions. However, to understand the essential issues is not so simple. Consider, on the other hand, that the following is also important. That is, the reformation from the point of view of the neo-liberalism has started in Great Britain and in the United States among those who have suffered from the severe economic decline accompanying stagflation.

What is the reformation of neo-liberalism? Since the latter part of the last century, especially since the world depression, welfare states have started to build themselves up to compensate for “market failure” and, the trend was accelerated during World War II as people were mobilized into the war effort. After World War II they consummated themselves in “the keynesian welfare state system” and the capitalist world enjoyed growth and prosperity. However, in the 1970’s advanced nations fell into stagflation (the concomitance with unemployment and inflation). The keynesian policy began to malfunction. In particular, it became serious for Great Britain and The United States, which had lost the economic advantages they had had immediately after the Second World War and their currencies’ position in world finance became threatened. These nations early on and in a most dramatic way brought about the neo-liberal reformation that tried to leave all to the market mechanism under the slogan of “small government and deregulation”, blaming “big government” and the regulation of the keynesian national welfare system for hindering the flexible functioning of the market forces and causing stagflation.

It progressed globally, and a global free market began to grow, to our misfortune, as an extremely volatile one. It is the less recognized but important cause of the ups and downs of Japanese and east Asian economy. Because “The East Asian

Miracle” was only made possible by having it pulled into the global market and become dependent on it, the development itself has opened a Pandora’s box of various problems. Furthermore, the global market that promoted and became the base to such development itself is extremely volatile. Therefore, an enormous amount of fluid capital which required only high returns even at high risk poured in rapidly in a global scale, driving development beyond the control of local nations or society, and creating a bubble before long. Then the capital was withdrawn all at once, following its speculators’ own interests in the world money market without any regard to the needs of the nation states and local communities where it flowed in before.

The whole gamut of outrages caused by the global free market exist not only in developing countries or ex-socialist countries which have been attempting a transition to the market economy.

Japan has been victimized as well. Japan suffered from the bubble at the end of 1980’s and early 1990’s. After the bubble broke, Japan was urged to restructure itself to follow the American system which is assumed to be the global standard (clearly seen for instance, in the BIS restrictions). Of course, it is true that Japan raised Euro-Dollars at lower cost than in the domestic market. However, the bubble of Japan was not generated by the rapid inflow of capital as a developing country. Additional circumstances existed. In Japan there was too much excessive capital existing. Japan actively invested it in the economies of Asia and the United States, etc.. Therefore, Japan danced in a bubble of its own making. However, it is the outflow of the dollar from the U.S. through the large amount of deficit in the United States’ current balance that has accelerated the inflation of the bubble in Japan. The overflow of the dollar from the U.S. created the enormous amount of surplus of Japan toward the U.S.. The bubble has the character of creating the inflation to adjust Japanese economies to those of the U.S. So to speak, world economy kept sending ammunition to the global money market by pouring dollars into it. This makes world economy increasingly fickle, cutting off the connection between the market and the society so as to make the market drift away on its own course. Even the American system, that Japan should supposedly restructure itself after, seems unable to escape the volatility of this global money market. Japan suffers after the bubble from the prolongment of the Heisei era recession. By contrast, the United States, though frustrated temporarily on the Black Monday, has been enjoying the longest boom in history since year of ’92. The N.Y stock exchange market has been posting unprecedented high prices one after another, and has even brought about discussion of a “New economy”. The renaissance of the United States, of course, is due to the following positive factors. Firstly, having found the secret of Japanese companies’ competitive power lies in their lean production method, the United states has actively sought to introduce that production method. Secondly, the U.S. has succeeded in getting the preeminent position in creating a new leading industry, that is, the information industry and is distinguished in almost all high technology industries. Consequently, capital all over the world is flowing into the U.S.

However, on the other side, a large amount of capital has been flowing into the United States through its dear money policy or by the cooperative purchases of European countries and Japan to support the value of dollar as the key currency. We cannot deny that it is the inflow of this capital that has contributed to fueling the growth of U.S. economy, even its own bubble economy.

However, a series of recent trends might suggest the following. The American system is also at the mercy of the global market. It seems to have been compelled to grow so as to make the bubble of its own, and may very well find itself standing on the edge at a precipice in the future.

II. How to get to the Alternative?

The New Global Keynesian System

If the above is the result of the promotion of “small government” and deregulation throughout the globe, the exhortations that it is necessary to aggressively advance deregulation to come out from the recession and to restructure immediately along the line of the American system might go beyond tragedy to become a comedy. The reappearance of a world-wide great depression might be inevitable if the market is left as it is. In the present age no government, however, cannot overlook the classic deflation outbreak as it occurred in the 1930s. They would have to try to avoid worsening the deflation by a lax financial policy and easy money policy on an unprecedented scale. A limited easing of the world great depression might be achieved in that case. However, it does not solve any basic problems. Then, what alternatives can we find?

The focus of the problem is how to make the connection between the market and society to control the forces of the global free market.

Robert Kuttner, who belongs to the liberal faction of United States Democratic Party with Robert Reich and Lester Thurow, advocates the second “The End of Laissez-Fair” and has stated as follows.⁴⁾

Just as Keynes feared, a globalized market economy leaves less room for national policy to counterbalance the forces of the private market, there are only two possibilities. Either the nation-state reclaims a measure of sovereignty from private market actors, by limiting the cross-national flow of capital and goods, or it pools sovereignty in supranational public bodies that set common rules.

In Japan as well, Miyazaki, Yosikazu who first expounded the idea that the Heisei-depression could not be explained without referring to the volatility of casino capitalism which the liberalization of financial market had produced, aligns himself with Susan Strange in epilogue of “The dusk of National Economy” as below:⁵⁾

“It is the assignment for the people of the world to stabilize again the financial system which has gotten out of control. It seems that perhaps the problem cannot to be solved until a strong world central bank and new true universal currency is established.

He then advocates the issuance of a new key currency.

Warnings of Conservatives

We basically agree with such a reformation plan. However, I want to discuss some basic aspects which we should take into consideration when we plan such a reformation. Firstly, how will the decision be made as to who will execute a new keynesian policy? Is a world central bank possible? How and what universal rules can

be agreed upon? Will there be a need for a world government? How will be these formed? Secondly, what is a social principle by which society will be sustained?

Conservatives are skeptical about man's attempts to shape history, especially in the cause of an ideal principle. Looking upon the hitherto history of humankind, conservatives assert that we have seen lots of revolutions or restorations by those who espoused high, pure ideals but which resulted in the most cruel political suppression such as Cromwell's sacred politics, the Reign of Terror in the name of "reason" and Stalin's dictatorship of the proletariat. In general, the modern age has been one of overconfidence in the human's wisdom and reasoning power and could be characterized by the optimistic belief called "progressivism" that humankind is able to make history and achieve its ideal by acting positively, guided by the power of reason. Having killed God, humankind has usurped the throne and defined the supreme being as homo sapiens.

The famous social philosopher and economist in Japan, Yasusuke Murakami, who claims to be a conservative, says that the essence of the thinking of man lies in self-reflection and there are two basic ways of approaching it. One is "transcendental reflection" and the other is "hermeneutic reflection". In transcendental reflection, the post-reflected ego is valued and has importance. Beyond individual world images of ante-reflection a common meta-image is valued and pursued. To state this more concretely, the law and the idea (ideal) of higher-order dimension are pursued. It is, therefor, said that progressivism, which attempt to shape the world after an ideal is generated by this forms of reflection.

On the other hand, "hermeneutic reflection" values the ante-reflected ego. A post-reflected ego is buried again in the ante-reflected "lifeworld". An individual world image is of the same qualification. There is no such relation between the two images as <general and special>, <abstraction and concreteness>. The dual positions of the ego are not separated. The reinterpretation is continuous while swinging between the two. It is said that conservatism is the result of this approach. According to him, the present age is one when the transcendental reflection has overshadowed the hermeneutic.⁶⁾

Keynes did not escape this progressivism either. Keynes expected "government" to intervene in the market, and to correct the economic harm "Laissez-Fair" had brought. In this case, Keynes rests on the assumption that the government is wise enough to implement the appropriate policy at the right time. As explained above, the market fails to secure social fairness. However, there is no guarantee that the government would be able to achieve it, either. However, Keynes' trust for the wisdom of government made him state as follows.⁷⁾

I draw the conclusion that, assuming no important wars and no important increase in population, *the economic problem may be solved, or at least within sight of solution, within a hundred years*. This means that the economic problem is not—if we look into the future — *the permanent problem of the human race*.

Keynesian Welfare States have succeeded in having brought about enough public interest and a social justice to save the historical life of capitalism though. It can be said that they have responded to the needs of society so far. However, various

limitations also exist in Keynesian Welfare States. A lot of problems have been created. It is true that for instance, Keynesian economics have been achieved only in advanced nations and even in these cases fell short of accomplishing adequate social justice. It has not only failed to influence the economies of the many developing countries which hold the greater part of the population of the earth, but has also brought about a wide gap in standard of living and economic power between advanced and developing countries. Moreover, it has promoted the growth of economies by the <institutionalization of waste> and has brought about a break in the <social useful> cycle of reproduction to cause serious damage to earth's ecosystem and the environment.

The dream of the reformation swelled to its maximum in 'the golden 60's' when Keynesian policies appeared to be supplying solutions to structural unemployment and discrimination toward social minorities. Immediately after that, however, government bumped against stagflation, and came to a standstill, raising questions over whether capitalism could be tough enough to effectively solve these problems merely through the intervention of the state.

The new liberalism which gained power in these conditions countered against the rising tide of the Keynesian welfare capitalism.

Once again we hear of various reformation plans advocating as such action pooling sovereignties to a super-national, public organization which would provide a across-the-board rule, the foundation of universal currency of a world central bank and global civic states which recognize global-citizenship etc. When we try to reconstruct Keynesian welfare states further again, but this time on the global scale, not to fall into the trap of adventure of metaphysics, the above-mentioned warnings by the conservatives seem to contain, in a sense, something worthwhile to listen to.

The Conservative's Trap

So, what should we do? First of all, what are the conservatives offering? As mentioned earlier, conservatives put importance not on what human beings design but on praxes (habitual rule), which have evolved naturally born in the course of long histories, as the media that connects the market to society and "*natio* (Murakami)".

Firstly, if concern for society within one region, one national economy or specific international region, one can say that it will accomplish a certain function within a certain limited range as media by which the market could be "buried within the society (M.Polanyi)". However, the situation today appears to be one where market forces supercede social forces and this has become global in scale.

Secondly, Murakami also says as follows.⁸⁾

The concept of "public goods" is the jargon of the circle of neo-classical economics. Concepts such as "the common useability" or "the user-excludability" can not be established transcendently. Concepts such as "international public goods" or "international distribution" are insufficient definitions. One must think of international public goods as not goods but rather regimes or rules and/or the pursuance of common understanding. The true core of the problem is what institution, regime and rules are indispensable for the existence of the international system. Then, how can such international public goods be brought about? Murakami finds the answer in the "hermeneutic reflection" that was explained earlier in this paper. In plain words, an

individual regime, rules and *natio* aim at tolerant coexistence of the same qualification to the end. Then, the commonness (companion consideration) among them will be naturally born in the process and will grow larger. This would be executed in the real world. As a result, a regime, rules, and a common understanding across-the-board would be generated. And social justice which is buried within the society would become achieved globally. We agree with it wholeheartedly, however, *within thought of a man*.

Human beings are free thinkers. It is so especially in the individual mind. Therefore, it is possible to conceive the following. Each individual world image is of the same qualification. There is no such relation between the two images as <general and special>, <abstraction and concreteness>. The dual positions of the ego are not separated. The reinterpretation is continued while swinging between the two.

However, it is another story among different persons who are caught in chains of the lifeworld, especially *where political power works* in any way. Furthermore, there is no social relation free from a political magnetic field. The way of the praxis and the *natio* are related to a certain way of distribution of political power. They are likely to overlap the reflection *in the brain of a man* with the process of formation of public goods *in the real world*. It is easy to degenerate into self justification or conservative protection of the existent system.

It is when Japanese economy has ascended to the highest level that the tenets of such conservatives gained power and the Japanese model as the most advanced one spread. The discussion was based on the affirmative evaluation of the economic and political system, and of characteristics of the Japanese culture.

It is explanation of society by its culture that characterizes the theory of Japanese conservatives in particular. Wolferen criticizes them saying that everything is explained by cultural factors, as if there had had been no exercising of powers in Japan. In addition, he inquires as to the political origin of these theories. The causal relation is rather the opposite. Political strategy is the main factor that determines the development of the Japanese culture. Power holders have chosen only the technologies and the attitudes from outside which seem to be the best for the reinforcement of their positions. "Power holders have never admitted that a universal or transcendent psychology has taken root in Japan. It has been impossible that an intellectual elite ruled, or overturned powers. The man of power in Japan was able to control the intellect."⁹⁾

Therefore, it is very difficult for the following process to take place: Individual regimes, rules or *natio* aim at tolerant coexistence of the same qualification and the commonness (accompanying considerations) among them will be generated naturally and enlarged as time goes by.

Post-modern Progressivism and Social Movements

Then, how is this difficulty overcome? It is not other than through changing the way of a political magnetic field in the real world to achieve tolerant coexistence of the same qualification among individualities (*natio*s). The politically strong do not take politically weak's *natio* as existence of the same importance as its own. Moreover it is not rare that the politically weak are unconscious of their own condition and remain latent. Even if they become awake of it, it will be only as the something

wanting, the desired or the ideal one. It is not other than the “transcendental reflection”. And the weak’s “transcendental reflection” has the potentiality to create movements critical of a current situation, seeking for what is lacking, the desired or the ideal in the real world. In general, this gives rise to what is called the social movements (Roberta Garner defines social movements as collectivities engaged in noninstitutionalized discourses and practices aimed at changing the existing condition of society). Thus we can only win the “international public goods” immunized from the both the terror of progressivism and the latent terror of conservatism by making the two types of human being’s fundamental reflection criticize each other in the real world. That is by making the political field where the ideal argumentation or communicative action is possible and it could be obtained only in the course of numerous contentious claims (social movements) in the real worldwide world.

It is through those that national welfare systems have been institutionalized. In the United States, you can image those inspired by the liberalism symbolized in the Roosevelt union and in Europe by social democracies. And it attained its acme in the 1960s.

However, the acme period meant that since then it began to expose the limits which have been referred to previously, that is, the system became stiff and got “tired”, ironically because institutionalization of these systems had advanced.

It was, however, just at that time when activism outside the frame of traditional social movements such as labor union movement and agrarian movements took the form of various kinds of new social movements such as the anti-war, the anti-nuclear, ecology and consumers’ movements. These developed out of the pursuit of the autonomous formation of living space and voluntary associations which arose and spread throughout the affluent societies in advanced nations, as the concept of constituency shifted from the traditional social movements to one defined by such groups as “citizens and residents”, consumers, “seikatusha”(those dedicated to “making a living”), women, ethnic minorities and so on, pursuing a new sense of value and operating with a new forms of organization such as networking.

Mayer and Tarrow characterize today’s society as “movement society” and they say in their book entitled “Movement Society: Contentious Politics for a New Century” that these “new social movements” have led to the following conditions.¹⁰⁾

- 1) Firstly, social protest has moved from being sporadic to become a perpetual element in modern life.
- 2) secondly, active protest is employed with greater frequency, by more diverse constituencies, and represents a wider range of claims than ever before.
- 3) It can be said that professionalization and insitutionalization of advocacy may be changing the major vehicle of contentious claims- the social movements- into an instrument within the realm of conventional politics.

From the above observations we see a remarkable shift towards institutionalization, and this emphasizes a continuity to the a usual democratic political system. However, if unceasing revitalization of a movement is possible, the present world might have already acquired the clue, the clue at least, as to how the difficulties described earlier may be overcome in what Mayer and Tarrow characterize as ‘the movement society’.

What makes a Society Sustainable?

Arriving at an answer to the first question raised in this paper has taken up quite a bit of time. This is necessary, because the solution must also address a second question of what the social principle is by which a society's existence is enabled and on which the market operates. Because it is not possible to define the principle universally, exceeding the history and *natio* of the region, the principle behind the society described above is not the one for which a wise government can provide in every case. What is indispensable to the existence of societies depends on the unique history and *natio* of a society in the region. Therefore, it can be said it appears before us for the first time as the common ground which concrete contentious claims- the social movements - achieve through the process above mentioned. It should also be kept in mind that it is never a permanent condition but it is only the provisional one, open to new events and new ideas caused by it. However, so long as what social principle we human beings require so that we may succeed in the formation of a sustainable society is kept in mind, it is possible for us to obtain certain vision, judging from what has already appeared and the potential magma of vectors of contentious claims(social movements) and it will help to make more dynamic the feed-back between the institutionalization of the movements and the resistance against institutionalization by the movements. In that case, it is necessary to follow those dynamic fed-back processes as widely and deeply as possible. It is extremely difficult. However the following consensus in our relation to nature, society and self-reflection would be obtained comparatively easily.

① Our relation to nature

First of all, the market economy affects human society on the earth more and more widely and deeply. It is entirely through the capitalistic economic growth and the expansion of the capital accumulation. It weakens the control of the society as mentioned earlier and is still driving recklessly. We can acknowledge that it has certainly contributed to improve our living conditions up to a certain stage. However, it begins to threaten our living conditions after a certain stage. Rising like a flood tide, the various kinds of social movements involved with pollution problems, environmental issues and so on clearly indicates the necessity for us to reconcile the way the society is with the natural base.

② Our relation to society

The troublesome effects of the reckless driving by the market economy do not only appear in our relation to the natural environment. It creates excessive wealth on the one hand, and on the other hand expands hunger, poverty, unemployment more and more on a world-wide scale. Including extreme forms of revolution and war, the struggle against these problems and the pursuit of alternatives occupy the largest part of social movements throughout world. It is nothing other than asserting the urgent necessity to secure such basic life material as food, clothing, housings, better health, nursing and education, etc. in contemporary global society, as they become more precious world-wide. In a market society the most basic means to secure them should be to create employment to obtain the income sufficient to be a consumer, in other words to make "securing work-welfare" as our elementary slogan.

③ Our relation to self consciousness

In addition, the pursuit of identity and diversity characterizes social movements at the present age. This tells us that a new culture is needed which will help us find the meaning in pursuing points ① and ② mentioned above, humans being such creatures as they can not live without meaning.

III. A Model of the Sustainable Society

Let us catch a glimpse of the alternative model that has already been formed as a challenge by many people engaged in social movements. In the process of trying to supply input into the process of The United Nations Conference on Environment and Development held in Rio de Janeiro in 1992, NGOs forums which were open to anyone more than ever so that NGOs in both the southern and northern widely participated were also held. In the forum they tried to seek for alternatives to the present forms of production and consumption, which they claim would not be sustainable into the 21st century. The south and north conflict has caused the global environmental politics to run aground when nations initiate them. However, NGOs from all over the world have expanded communication and deepened understanding among themselves in the process of participation in the Rio de Janeiro summit. They spent a great amount of energy to create the common model to incorporate their opinions at the Rio de Janeiro summit. It is as follows.¹¹⁾

(1) The needs of a community, in terms of food, shelter, education, health, the enjoyment of culture are essential, as opposed to a concentration on the generation of profit and on the growth of production for its own sake. Economic life must also be organized in such a way that it enhances rather than destroys the environment and safeguards natural resources for the use of future generations.

(2) An alternative to the current system must be based on indigenous, community-based, people-empowering models that are rooted in peoples' experiences, history and eco-cultural reality.

An alternative economic model should be based on the relative self-sufficiency of communities, regions and nations, rather than on world-wide free trade and large domestic and transnational corporations as the central institutions that determine production and distribution.

(3) Economic life must be formed by bottom-up development strategies, in which people and communities have the power to make economic decisions that affect their lives, in contrast with the dominant model which marginalizes grassroots communities and fosters international economic relations in which the center subjugates the periphery. In an alternative economic system, the state will be transformed from being chiefly a facilitating agent of the present economic system that is dominated by domestic and transnational corporations, into a mechanism that genuinely represents and serves the people's will and promotes a strategy of relatively self-reliant, community-centered development.

This cannot be realized all at once though. It faces various adverse vectors from

various directions in the real world and can do little but advance step by step toward the direction mentioned above. The ways of the political decision making are various because of cultural traditions of that give form to action and social, economical, political arrangements and NGOs feature diversity as promoters of new social movements. Moreover, mediation media by which such alternative economic models are to become realized take various forms.

The first is by forming “public good” at various levels, fighting against various counter actions in above-mentioned political fields. For instance, it is by forming legal instruments or other various frames of regulations which approach the market from outside.

The second is by internalizing the cost of externality such as the pollution prevention costs etc., thus integrating these costs directly into the market mechanism.

The third is by participation in the managing bodies. For instance, participation in a variety of ways in corporate governance by citizens and others, or the creation of a new social sectors called Non Profit Organizations as cooperatives, or third-sector enterprises that feature co-ownership and joint decision making by municipalities, agents of the enterprise and citizen volunteers etc..

And lastly, there is the impact of revolution of our culture itself. Instituting the mechanism of control over the global market such as previously introduced is not a easy task and has little if any positive proof of success. It depends on whether social movements which aim to secure the existing conditions of society develop widely enough so as to effectively criticize existing systems in the real world. Then, only through facilitating feed-back to and from the existing conditions of the society by social movements in such variety and multi-layered ways will we obtain at least the prospect that it can become possible.

Notes

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